

RAIN COMMODITIES LIMITED

"Rain Center", 34, Srinagar Colony, Hyderabad 500073

Audited Financial Results (Consolidated) for the quarter/year ended March 31, 2007

(Rs in Lakhs)

S. No	Particulars	Nine Months ended	Quarter ended March 31,		Year ended March 31,	
		31-Dec-06	2007	2006	2007	2006
1	Net Sales	35,314	14,233	11,078	49,547	32,031
2	Other Income	3,022	1,006	419	4,028	1,857
	Total Income	38,336	15,239	11,497	53,575	33,888
3	Total Expenditure	24,823	9,916	9,391	34,739	29,084
a)	(Increase)/Decrease in Stock in Trade	(470)	373	915	(97)	66
b)	Consumption of Raw Materials	1,964	703	416	2,667	1,918
c)	Staff cost	750	407	268	1,157	1,011
d)	Power & Fuel	7,054	2,476	1,883	9,530	8,681
e)	Rates and Taxes	4,673	1,993	893	6,667	-
f)	Selling and Distribution Expenses	7,382	2,789	1,784	10,171	8,469
g)	Other expenditure	3,470	1,174	3,232	4,644	8,939
4	Interest	5,323	1,586	859	6,909	3,905
5	Depreciation	1,106	376	368	1,482	1,462
6	Profit/ (Loss) Before extra ordinary item and tax	7,084	3,361	879	10,445	(563)
7	Extra ordinary item (net)	(74)	3,361	(6,431)	3,286	(6,431)
8	Profit/(Loss) after extra-ordinary item and before tax	7,010	6,721	(5,552)	13,731	(6,994)
9	Provision for Taxation					
	- Current Tax	-	1,497	-	1,497	-
	- Less: MAT Credit Entitlement	-	(1,055)	-	(1,055)	-
	- Deferred Tax	-	952	(291)	952	673
	- Fringe Benefit Tax	11	7	4	18	17
10	Profit/(Loss) after tax	6,999	5,320	(5,847)	12,319	(7,684)
11	Share of profit/ (loss) in Associate	(128)	-	17	(128)	17
12	Net Profit/ (Loss)	6,871	5,320	(5,830)	12,191	(7,667)
13	Paid-up equity share capital (Face value Rs.10/-)	3,211	3,211	2,211	3,211	2,211
14	Reserves excluding Revaluation Reserves	2,259	8,357	1,648	8,357	1,648
15	Earnings/ (Loss) Per Share before Extraordinary item - Basic (Rs.)	28.50	6.10	2.72	33.89	(5.59)
	Earnings/ (Loss) Per Share after Extraordinary item - Basic (Rs.)	28.19	16.57	(26.37)	46.39	(34.68)
	Earnings/ (Loss) Per Share before Extraordinary item - Diluted (Rs.)	22.28	5.98	2.72	33.59	(5.59)
	Earnings/ (Loss) Per Share after Extraordinary item - Diluted (Rs.)	22.04	16.26	(26.37)	45.98	(34.68)
16	Aggregate of Public Shareholding					
	- Number of Shares	19,313,773	19,313,773	10,909,401	19,313,773	10,909,401
	- Percentage of Shareholding	60.15	60.15	49.34	60.15	49.34

Notes :

- 1 The Consolidated financial results include the results of Rain Commodities Limited ("the Company") and the financial results of its wholly owned subsidiaries - Rain Industries Limited, Rain Commodities(USA) Inc. and Rain Commodities (Canada) Inc.
- 2 The Board of Directors of the Company have approved the Scheme of Arrangement among the Company, Rain Industries Limited and Rain Calcining Limited. As per the scheme of arrangement, the cement business of the Rain Industries Limited would be transferred to the company and the calcining business of Rain Calcining Limited will be transferred to the Company and subsequently to Rain Industries Limited. The scheme has been approved by the shareholders of the Company and the shareholders of Rain Calcining Limited on June 4, 2007 and is subject to the approval of Hon'ble High Court of Andhra Pradesh, Stock Exchanges and other regulatory authorities. Pending the approvals, the above results of the Company have been prepared without considering the effect of the scheme, except for provision for taxation which has been made after considering the impact of the scheme.

- 3 The Company has acquired 100% shareholding of Rain Commodities (USA) Inc. ("RCUSA") during February 2006. RCUSA has acquired during March 2006, 100% shareholding of Rain/GLC Holdings LLC. which in turn holds 20.23% ownership interest in GLC Carbon USA Inc. ("GLC"). RCUSA has executed a definitive agreement to acquire the remaining ownership interest in GLC in February 2007. However, RCUSA during March 2007 has decided not to pursue the acquisition of the remaining ownership interest in GLC, considering the counter offer at a higher price received from another company. RCUSA has received the termination fees of Canadian \$ 17,000,000 on March 30, 2007, as per the terms of definitive agreement which has been included in the above results under Extra-Ordinary item and disposed off the ownership interest in GLC, subsequent to the year-end.
- 4 The consolidated results for the year/quarter ended March 31, 2006 have been recast after considering the results of RCUSA for the period from February 10, 2006 to March 31, 2006 and proportionate share of income of GLC from March 2, 2006 (date of acquisition of 20.23% ownership interest) to March 31, 2006. Extra-ordinary item relates to the acquisition expenses.
The proportionate share of profit/(loss) of GLC ('Associate') amounting to Rs.(128 lakhs) recognized for the period from April 1, 2006 to December 31, 2006, [Rs.17 lakhs for the year ended March 31, 2006] is based on the management estimates, which has been subjected to in the Auditor's Report on the Consolidated Financial Statements. Consequent to the decision of RCUSA with regard to the non-acquisition of the remaining ownership interest in GLC during March 2007 and due to non-availability of the profit/loss of GLC from quarter ended March 31, 2007 no proportionate share of profit/loss has been recognized in the above consolidated results.
- 5 The group presently operates in one business segment (i.e. manufacture and sale of cement) and in one geographical segment (India). Hence the disclosure requirements as required under Accounting Standard 17, 'Segment Reporting', issued by the Institute of Chartered Accountants of India are not applicable.
- 6 The Board of Directors have recommended a dividend @ 35% on the paid-up equity capital of the Company i.e. Rs.3.50 per equity share for the year 2006-07.
- 7 During the year, the company has allotted 1,00,00,000 Equity shares of Rs.10/- each at a premium of Rs.30/- consequent to the conversion of equal number of equity warrants. The company has also allotted 68,00,000 equity warrants @ Rs.200/-each on 29th November, 2006, which are convertible into equal number of equity shares within a period of 18 months from the date of allotment.. The amount raised through issue of aforesaid equity shares and equity warrants have been utilised as per the objects of the issue.
- 8 Information on Investor Complaints: Investor complaints pending at the beginning of the Quarter : Nil, Investor complaints received during the Quarter : 7, No. of Complaints resolved during the Quarter :7 and there were no pending complaints from the investors as on March 31, 2007 which had to be resolved.
- 9 Figures of the corresponding previous periods have been regrouped wherever necessary.
- 10 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on June 5, 2007.

By order of the Board
For **RAIN COMMODITIES LIMITED**

Sd/-
N RADHAKRISHNA REDDY
CHAIRMAN & MANAGING DIRECTOR

Hyderabad
June 5, 2007